

**ET Markets: Beating Volatility** **5**

The Economic Times, Ahmedabad, Saturday, 5 September 2020

Market Trends

STOCK INDICES			% CHANGE
CNX Nifty	11333.85		1.68
S&P Sensex	38357.18		1.63
MSCI INDIA	856.46		1.33
MSCI EM	2587.54		0.73
MSCI BRIC	716.23		0.66
MSCI WORLD	10410.16		0.16
Nikkei	23205.43		1.11
Hang Seng	24695.45		1.25
Kospi(S.Korea)	2368.25		1.15
Starit Times	2509.64		0.87

OIL (\$/BRL)	BOND (%)
DUBAI CRUDE	GSEC 2030 YIELD*
43.58	5.94
0.70	0.02
Absolute Change	*Coupon 5.79%

GOLD RATE	
US (\$/Oz)	India (₹/10Gm)
OPEN 1938.00	50865.00
LAST* 1946.90	50905.00
Prev chg (%) 0.47	0.32

FOREX RATE (₹/\$ Exchange Rate)	
OPEN	LAST*
73.38	73.14

*At 6 pm IST Source: Bloomberg, MCX, ETIG

Market on Twitter@ETMarkets

China Allows for Stronger Yuan as Focus Turns to Home

Bloomberg

Beijing is allowing faster gains in the yuan as it seeks to cheapen imports and bolster weak consumer spending.

That's one theory touted by DBS Bank and Mizuho Bank, who say a stronger yuan is ideal for Beijing at a time when Chinese President Xi Jinping is pushing for a more self-reliant economy. That marks a shift from when officials worried that a strong yuan would undercut the nation's exports to the world.

The daily currency fixings show China's equanimity toward accelerating gains in the yuan, with the central bank refraining from sending clear warning signals to traders. That's even as the yuan gained nearly 5% since late May versus the dollar to its highest level in more than a year. The fixings — a tool the PBOC often uses to limit currency strength — have generally been tracking the market higher as the dollar has weakened.

A stronger exchange rate also helps remove a flashpoint in relations with the US, with President Donald Trump having long accused China of keeping the yuan artificially weak. Additionally, domestic banks will be more inclined to hold a currency that isn't depreciating, which in turn would help Beijing reduce the financial sector's reliance on the greenback.

'Liquidity, Rate Cuts not Enough to Keep Market Rates Low'

Saikat.Das1@timesgroup.com

Mumbai: Surplus liquidity and rate cuts are not sufficient to keep the market rates low for long given that inflation is on the rise, said Arun Srinivasan, executive vice president — head of fixed income, at ICICI Prudential Life Insurance.

If inflation doesn't ease, the RBI may be forced to take its first step on unwinding as early as February with an increase in reverse repo rate.

"We are practically at the bottom of the interest rate cycle," said the fund manager who manages Rs 94,000 crore in debt assets. In February 2021, the market could see an increase in reverse repo as a first sign of a changing interest rate stance.

"Any further interest rate cut from current levels is unlikely to push credit growth. It is the risk aversion prevalent in the market now that needs to change for reversing the sentiment," Srinivasan said.

SHORT-DATED CALLS GO BUST AMID CARNAGE**Day Trader Option Frenzy Turns Ugly in \$730B Nasdaq Rout**

Bloomberg

Thursday's Nasdaq nosedive dispensed painful lessons in how options-market leverage can blow up in an investor's face.

Losses in benchmark indexes were brutal enough, getting to 6% in the Nasdaq 100, or about \$730 billion erased. In single-stock equity contracts they were downright existential, in the space of a few hours. Volumes in puts and especially calls has been exploding in recent weeks, much of it in the tiny lot sizes denoting individual traders.

While it's never hard to pick out staggering losses in options when markets tumble, and plenty of examples exist of well-timed puts, today's losses were par-

Sensex Plunges 634 Points; Nifty Cracks Below 11,350

Indo-China tensions, rising cases of Covid, global market correction hit sentiment

PTI

Mumbai: Domestic equity benchmark Sensex crashed 634 points on Friday, tracking losses in index majors Reliance Industries, HDFC and Infosys amid a selloff in global equities. The 30-share BSE index ended 633.76 points or 1.63% lower at 38,357.18.

The NSE Nifty plunged 193.60 points or 1.68% to close at 11,333.85.

Axis Bank was the top loser in the Sensex pack, shedding over 4%, followed by Tata Steel, SBI, NTPC, Bharti Airtel, ITC and ICI Bank.

On the other hand, Maruti and TCS finished with gains. According to traders, domestic markets followed the massive selloff in global equities.

Stock exchanges on Wall Street ended with heavy losses in overnight session led by a carnage in technology stocks.

Following suit, bourses in Shanghai, Hong Kong, Tokyo and Seoul ended up to 1.25% lower.

On the other hand, stock ex-



changes in Europe opened on a positive note.

Through the week, the market remained cautious on weaker-than-expected GDP number and lacklustre GST collections even though PMI and auto sales showed some improvement, said Sanjeev Zarbade, VP PCG Research, Kotak Securities.

Indo-China border tensions, rising cases of infections, global market correction and valuations are the key risks to the domestic market, he added.

Rupee Settles 33 Paise Higher at 73.14 against US dollar

PTI

Mumbai: Snapping the two-day losing streak, the rupee rebounded by 33 paise and settled at 73.14 (provisional) against the US dollar on Friday, even as the domestic equity market was trading with significant losses.

At the interbank forex market, the domestic unit opened on a strong note at 73.38 against the US dollar, then gained further ground and closed at 73.14 against the American currency, registering a gain of 33 paise over its previous close. During the trading session the local unit witnessed high volatility and touched an intra-day high of 73.01 and a low

of 73.47 against the greenback.

On Thursday, the rupee slumped 44 paise to close at 73.47 against the US dollar as rise in demand for the American currency from oil importers weighed on currency market sentiment. Meanwhile, the dollar index, which gauges the greenback's strength against a basket of six currencies, was trading 0.03 per cent higher at 92.77.

Foreign institutional investors were net buyers in the capital market as they purchased shares worth Rs 7.72 crore on Thursday, according to exchange data. Brent crude futures, the global oil benchmark, rose 0.52 per cent to USD 44.30 per barrel.

Oil Holds Above \$44, Heads for Weekly Drop on Demand Worries

London

Oil held above \$44 a barrel on Friday and was on course for its biggest weekly decline since June as weak demand figures added to concern over a slow recovery from the COVID-19 pandemic.

A U.S. government report showed that domestic gasoline demand fell in the latest week. Middle distillates inventories at Asia's Singapore oil hub have soared above a nine-year high, official data showed.

Brent crude, the international benchmark, was up 30 cents, or 0.7%, at \$44.37 by 1130 GMT, heading for a 1.5% drop this week.

U.S. West Texas Intermediate (WTI) rose 36 cents, or 0.9%, to \$41.73, though WTI's advance looks unlikely to prevent its first weekly drop in five. — Agencies

SIPS TO BE CAPPED AT ₹5,000 A MONTH AS VALUATIONS HAVE RISEN SHARPLY**SBI Small Cap Fund Not to Accept Lump Sums Post Sept 7**

Prashant.Mahesh @timesgroup.com

Mumbai: SBI Small Cap Fund will accept lump sum investments only till September 7. Afterwards, the fund house will only accept investments through systematic investment plan (SIPs) capped at ₹5,000 per month per individual. The fund had only recently opened the scheme for lump sum investments on March 30, after the sharp fall in the markets on account of fears of Covid-19. At that time, it had indicated it will accept lump sum investments till it mobilises another ₹1,000 crore to its assets. The sharp rally in the markets, as well as inflows from HNI investors who felt valuations in the space were cheap led to the assets moving up sharply to ₹4,270 crore by July-end.

"Valuations have risen sharply. There are size constraints in managing a small cap fund. Hence, in the interest of investors, we will stop lump sum investments," said DP Singh, executive director, SBI Mutual Fund. The PE of the NSE Small Cap 50, which fell to 13 in March-end, has doubled to 26.44 now, after the sharp rally in the markets.

Earlier too, SBI Small Cap Fund



did not accept lump sum investments from October 2015 to March 2020 and investors could only put money through SIPs.

Financial planners believe investments in small cap funds should be made with a time frame of at least 8-10 years, as volatility could be high and stock values could remain low for periods of four to five years at a stretch. "Investors should not jump into the fund with lump sum investments because the fund house will stop accepting it. This move indicates that the fund manager believes valuations are high and there are no meaningful opportunities in the space," says Gajend-

ra Kothari, founder, Etica Wealth Management.

SBI Small Cap Fund, managed by R Srinivasan, is one of the best-performing funds after having returned 22.42% over the last one year. Over three years and five years, it has returned 8.6% and 15.04%, respectively. The top three holdings in the scheme are PI Industries, Elgi Equipments and JK Cement.

**MARVEL DECOR LIMITED**

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NOTICE OF THE 24th ANNUAL GENERAL MEETING THROUGH VC/OAVM, BOOK CLOSURE, CUT OFF DATE AND E-VOTING

NOTICE is hereby given that, in view of the continuing COVID-19 pandemic and in accordance with the Circular No. 20 dated May 5, 2020 read with Circular No. 14 dated April 8, 2020 and Circular No. 17 dated April 13, 2020 (hereinafter collectively referred to as "MCA Circulars") issued by Ministry of Corporate Affairs ("MCA") for holding of AGM through VC or OAVM without the physical presence of Members at a common venue, the **24th Annual General Meeting (AGM)** of the Members of Marvel Decor Limited will be held on **Tuesday, September 29, 2020 at 10:00 AM IST** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the Businesses set out in the notice.

In accordance with the above mentioned MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, the Notice of AGM along with Annual Report 2019-20 is being sent through electronic mode only to those Members whose email addresses are registered with the Company/Depositories as on Friday, August 28, 2020. Member may note that Notice and Annual Report 2019-20 have been uploaded on the website of the Company at www.marvellifestyle.com, website of National Stock Exchange of India Limited at www.nseindia.com and website of National Securities Depository Limited (NSDL) i.e. www.evoting.nsdl.com.

In light of the MCA Circulars, the shareholders who have not submitted their email addresses and as consequence not received Notice of AGM and Annual Report 2019-20, may temporarily get their e-mail addresses registered by following the procedure given below:

- In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cs.meera.gudka@marvellifestyle.com.
 - In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs.meera.gudka@marvellifestyle.com.
 - Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by providing the details mentioned in Point (a) or (b) as the case may be.
- The Register of Members and Share Transfer Books of the Company will be closed from Wednesday, September 23, 2020 to Tuesday, September 29, 2020 (both days inclusive) for the purpose of AGM. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on Wednesday, September 23, 2020 ("Cut-off date"), shall only be entitled to avail the facility of remote e-voting as well as e-voting on the date of AGM.
- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rules made thereunder (as amended) and Regulation 44 of SEBI (LODR) Regulations, 2015 (as amended) and above mentioned MCA Circulars, the Company is providing facility of remote e-voting and e-voting on the date of the AGM to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has availed service of NSDL.

The remote e-voting will commence on 9:00 AM on Saturday, September 26, 2020 and will end on 5:00 PM on Monday, September 28, 2020. During this period, the members of the Company holding shares as on Cut-off date may cast their vote electronically (Remote E-Voting). Members may note that a) the remote e-voting module shall be disabled by NSDL after the aforesaid date and time for voting and once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently; b) the facility of e-voting shall be made available at the AGM; and c) the members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM, but shall not be entitled to cast their vote again. Detailed procedure for remote e-voting/ e-voting is provided in the Notice of the AGM.

Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of AGM and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote.

In case of any queries for e-voting, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in. Members may also contact Company Secretary by writing an e-mail to cs.meera.gudka@marvellifestyle.com for any further clarification.

Members can attend and participate in the AGM through VC/OAVM facility only. The instructions for joining the AGM are provided in the Notice of AGM. In case the shareholders/members have any queries or issues regarding participation in the AGM, you can write an email to evoting@nsdl.co.in or Call at: - Tel: 1800-222-990. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.

Place : Jamnagar
Date : September 4, 2020

For, Marvel Decor Limited
Sd/-
Ashok R. Paun
Chairman & Managing Director (DIN 01662273)